



# PRESS RELEASE

## Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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### **Alaska Plastic Surgeon Sentenced to Prison for Wire Fraud and Tax Evasion**

*Defendant Concealed Bank Accounts in Panama and Costa Rica from the IRS*

An Anchorage, Alaska, plastic surgeon was sentenced to 48 months in prison on Friday for wire fraud and tax evasion, announced Acting Assistant Attorney General Caroline D. Ciralo of the Justice Department's Tax Division and U.S. Attorney Karen L. Loeffler of the District of Alaska.

"Tax evasion knows no geographic bounds," said Acting Assistant Attorney General Ciralo. "This case demonstrates that there is no longer any country where it is safe for a defendant like Dr. Brandner to hide money from the government. The Department of Justice, along with its law enforcement partners, will continue to aggressively pursue individuals who conceal assets and income abroad in an effort to evade their responsibilities under our nation's tax laws."

Dr. Michael D. Brandner, 67, was convicted by a federal jury in November 2015 of four counts of wire fraud and three counts of tax evasion. The charges arose from a scheme to conceal over \$5 million of assets in secret bank accounts in Panama and Costa Rica from the Internal Revenue Service (IRS) and Dr. Brandner's wife. According to the indictment and evidence introduced at trial, shortly after his wife filed for divorce in late 2007, Dr. Brandner collected millions of dollars in marital assets and secretly drove from Tacoma, Washington, to Costa Rica in Central America. In Costa Rica, he opened two bank accounts into which he deposited over \$350,000 in cash and hid a thousand ounces of gold in a safe deposit box. He then traveled to Panama where he opened an account under the name of a sham corporation and deposited \$4.6 million into the account in 2008.

Dr. Brandner concealed both the existence of the bank accounts and the interest income he earned on those accounts from the court in the divorce proceedings and from the IRS. Dr. Brandner owed the IRS \$500,000 in additional taxes for the 2008 through the 2010 tax years. In 2011, Dr. Brandner repatriated over \$4.6 million once the divorce was final only to have the funds seized by U.S. Immigration and Customs Enforcement Homeland Security Investigations (ICE HSI) special agents. He then lied to federal agents about his control of the funds.

In addition to the prison term, U.S. District Judge Sharon Gleason in Anchorage ordered Dr. Brandner to serve two years of supervised release, and pay \$25,922.95 toward the costs of prosecution.

Acting Assistant Attorney General Ciralo and U.S. Attorney Loeffler thanked special agents of IRS-Criminal Investigation and HSI, who investigated the case and Trial Attorney Ignacio Perez de la Cruz of the Tax Division and Assistant U.S. Attorney Bryan Schroder of the District of Alaska, who jointly prosecuted the case.

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